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CHINA SHAKES THE WORLD AGAIN

CHINESE AGRICULTURE — RENÉ DUMONT
TURNING LABOR INTO CAPITAL—K. S. GILL

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THE POLITICS OF CONTEMPORARY CAPITALISM

RALPH MILIBAND

Mao's "American Boswell"

LEO HUBERMAN

EDITORS . . . LEO HUBERMAN . . . PAUL M. SWEEZY

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NOTES FROM THE EDITORS

We are pleased to announce that MR's essay contest has been won by Laurent Frantz of San Francisco, with whose writings in *The Nation* and elsewhere many MR readers will be familiar. The prize-winning essay was selected from more than 40 unidentified entrants by a board of judges consisting of J. Raymond Walsh, well-known economist and Chairman of Monthly Review Associates; Carey McWilliams, editor of *The Nation*; and Stanley Moore, formerly professor of philosophy at Reed College. We had hoped to be able to publish Mr. Frantz's essay, entitled "Planning and Freedom," in this issue but for reasons of space have been obliged to postpone publication until next month. In the meantime, we heartily congratulate the winner and extend our best thanks to the judges.

(*continued on inside back cover*)

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POST-ELECTION THOUGHTS

Our readers will be aware—some rather disapprovingly we fear—that we have been unable to work up any excitement, or even much interest in recent elections in this country. Under present circumstances, this biennial ritual seems to us to have become little more than an aspect of an elaborate and complex process which has no other purpose than that of giving the appearance of political power to the people while reserving the reality to a small property-owning class. The triviality, hypocrisy, and downright dishonesty of the major-party electoral campaigns (we know of no exceptions) are degrading to those who take part in them and repulsive to those who do not, and the whole wretched business has been still further debased by falling increasingly under the sway of the methods and techniques of commercial salesmanship. We know, of course, that good Americans are supposed to look upon all this as a sort of amiable national weakness and to see in it somehow evidence of the genuine character of our democratic institutions. And indeed a surprisingly large number of otherwise rational people not only manage this seemingly impossible feat but actually throw themselves into these sordid campaigns every time they get a chance. The capacity of the human mind and spirit is a never-ending source of wonder.

Having said all this, however, we must hasten to add that there have been times in the past when elections in this country have meant something and we are confident that there will be such times in the future too. And in the meantime there is no doubt that the results of elections must be included among the political data which have to be examined and analyzed in order to discover the direction in which we are moving. Considered in this light, what is to be learned from the elections of 1958?

Undoubtedly the most important positive aspect is the clear demonstration of the political potential of organized labor. In five of six states where the issue came before the voters, "right-to-work" (i.e. open-shop) legislation was decisively rejected. Moreover, with the single exception of Goldwater in Arizona, all the militantly anti-labor right-wing Republicans went down to defeat. Economically, California and Ohio are two of the most important states in the

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union, and Knowland and Bricker have become veritable symbols of anti-labor reaction. The rejection of the open shop in these states and the defeat of Knowland and Bricker are therefore undeniable proof of labor's electoral strength.

This is certainly important and in the long run may prove to have been a turning point in United States politics. But it would be a mistake, which unfortunately all too many liberals and leftists are likely to make, to expect anything significant to come of it in the near future. Labor's victories were purely defensive. They can be expected to block a further deterioration of a *status quo* already disadvantageous to the unions and their leaders, but that is about all.* It is even doubtful whether organized labor will be able to secure an amendment to the Taft-Hartley Act outlawing open-shop legislation in the nineteen states where it has already been adopted. And if the union leadership is unable to force any sort of positive action where its own special interests are the main issue, it is hardly likely to have much influence in wider questions of national and international policy.

What the 1958 elections show is that labor has a great political *potential,* not that it has great political *power* within the framework of the present party and governmental system. To realize this potential, it is becoming increasingly clear, labor will have to strike out on the road of political independence. But it is equally clear that at the present time there is nowhere in the labor movement any desire or urge to follow this course. Objectively, the situation is ripe for labor to declare its political independence; subjectively, we still have a long way to go.

A second result of the 1958 elections which is likely to have lasting consequences is related to the first. The virtual liquidation of the Old Guard of the Republican Party, taken together with the sensational victory of Nelson Rockefeller in New York, means that the differences between Democrats and Republicans, never very large, will now be reduced to the vanishing point. Rockefeller is the new hopeful of the Republicans, and his "modern Republicanism" would seem to have a clear field against the discredited old-fogeyism of the right

* This *status quo* is aptly characterized by C. Wright Mills as follows: "For a brief time [during the thirties], it seemed that labor would become a power-bloc independent of corporation and state but operating upon and against them. After becoming dependent on the governmental system, however, the labor unions suffered rapid decline in power and now have little part in major national decisions. The United States now has no labor leaders who carry any weight of consequence in decisions of importance to the political outsiders now in charge of the visible government." *The Power Elite,* p. 262.

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wing of the party. Nixon, a pure-and-simple opportunist with no handicap of principles or convictions, can be expected to get into line and to compete with Rockefeller as the champion of "modernism." The likelihood of a comeback by the Colonel Blimps of American politics seems remote indeed.

But what is this Republican "modernism" if not a carbon copy of Democratic "liberalism"? Both advocate a policy of fringe benefits to keep the people happy at home and a stepped-up military-imperialist program to strengthen what is called "American leadership" abroad. Both are self-proclaimed friends of labor and the rights of Negroes; both are "spenders," chiefly for defense but secondarily for social welfare purposes; both are unreservedly committed to the cold war.* If there is any important difference between the two, it has escaped our attention.

Will this growing indistinguishability of Democrats and Republicans hasten the day of labor independence? Unfortunately, it seems unlikely. The labor movement—both leadership and rank and file—seems to be well satisfied with its alliance with the "liberal" Democrats, and it will now probably welcome the "modern" Republicans into the fold. That would seem to be one implication of the Republican victory in New York, and it is surely as easy to imagine a political partnership between Walter Reuther and Nelson Rockefeller as between Reuther and any of the Democratic hopefuls. As long as the labor movement remains in its present state of complacent lethargy, it is likely to continue to be satisfied with victories over the political manifestations of 19th-century capitalism. With those of 20th-century capitalism it has no fault to find. Not yet anyway.

This idyllic relationship can hardly last forever, however. Republican "modernism" holds out no more hope than Democratic "liberalism" of reversing the forces which are slowly but surely pushing the United States toward a series of ever graver crises. Given the structure of the monopolistic economy, increased spending, whether

* The Democrats were justifiably angry when Khrushchev interpreted the elections as indicating popular disapproval of American foreign policy and possibly foreshadowing an improvement of Soviet-American relations. House Majority Leader John W. McCormack indignantly labeled this "nothing but Communist propaganda," and went on to explain: "The Democratic Party stands for a stronger national defense and a firmer administration. In the last session, we appropriated $816,000,000 more for national defense than the President asked for." (*Christian Science Monitor*, November 11.) What Mr. Rockefeller thinks about these matters was made sufficiently clear by the famous Rockefeller Brothers Fund report on national security policies issued last winter.

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for military or welfare purposes, threatens to accelerate the inflationary process which in recent years has halted only in times of depression and unemployment. Waging cold war inexorably undermines the position of the United States abroad and accentuates the danger of atomic war and annihilation. The road we are travelling leads to disaster, and it makes no difference whether the driver's seat is occupied by Democrats or Republicans. Either the American labor movement, which is the inadequate but nevertheless authentic representative of the vast majority of the American people, will wake up to this fact before it is too late, or it won't. In the second case, the present apparent political equilibrium will be destroyed in a manner which we at any rate do not care to speculate about. In the first case, which we hope is the relevant one, labor will finally be literally forced to enter the political arena in its own right and in defense not only of its sectional interests but of the very survival of the American nation.

Two other aspects of the 1958 elections call for brief comment: their implication (1) for the struggle for Negro emancipation, and (2) for independent political action in the near future.

(1) Clearly, the defeat of the Republican right wing and the greatly increased Democratic majority in both houses of Congress should prove to be positive factors in the struggle for Negro emancipation. On the one hand, the Southern Democratic-Old Guard Republican coalition which in recent years has exercised an absolute veto power in national politics, and especially in matters affecting civil rights—this coalition has been measurably weakened and can no doubt now be forced to give ground. On the other hand, for reasons of political strategy, the Rockefellers and Nixons will now probably launch a drive for Negro support and will therefore enter into a *de facto* alliance with nothern Democrats to push harder for civil rights legislation. It is too early to say whether anything much will come out of this new constellation of political forces: much depends on the skill of Negro political leadership and its willingness to act independently of the two party machines, thus putting both on notice that Negro support can be had only at a price in terms of legislative and administrative action. But in any case, the *possibility* of winning new ground for civil rights is definitely increased, and this is all to the good.

Unfortunately, there is a darker side to this coin, too. Political bargains are two-sided affairs, and Negroes have more to offer than mere votes. They can also provide a very valuable kind of social and ideological backing for the claims and pretensions of American im-

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perialism. And there is no doubt that Democrats and Republicans alike will expect and even demand this kind of backing in exchange for concessions on the civil rights front. It would be comforting to think that American Negroes, moved by a fellow feeling for the colored peoples of the socialist and underdeveloped countries, will be able to resist this pressure and to stand out for a sane American policy of live and let live. It would probably also be an illusion, however. American Negroes have an intense, indeed an overriding, desire for equality with other Americans. A corollary of this is that the more equality they achieve the more like other Americans they are likely to become. And that in turn means that as long as most white Americans are "modern" Republicans or "liberal" Democrats, interested in asserting an American leadership of the world which in fact amounts to American dominance, American Negroes will move toward precisely the same political and ideological position. This is one of the facts of American life which no amount of wishful thinking can change. Just as it is only labor that can ultimately transform American society and America's place in the world, so it is only labor that can give a new set of goals and a new social consciousness to America's Negro minority.

(2) What remains of the American Left after nearly a decade and a half of steady attrition is not, it seems to us, a suitable base for independent political action. The disappointing showing of the Independent Socialist ticket in New York confirms this opinion, and we see no reason to suppose that under present circumstances similar attempts elsewhere or on a national scale will be more successful. While achieving nothing constructive, such efforts serve to advertise the weakness of the Left and to waste energy and resources which could be better put to other purposes. Politics are concerned with power, and it is a simple fact that in this sense there is no such thing as left-wing politics in this country today. Pretending otherwise will not change this situation.

This does not mean, of course, that we are against independent political action in principle, or that we believe the Left must necessarily wait until the initiative is taken by organized labor as such. It only means that we feel quite sure that the time for independent political action is not yet ripe. This conviction has been strengthened by the outcome of the elections.

Some of our friends ask us: if not now, when? No one can say for sure, of course, but at any rate we believe that at least two things will have to happen before it will be possible to give any sort of

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satisfactory answer to this question. First, the American Left will have to show definite signs of beginning to grow again, and this means above all that outstanding new leaders of a younger generation will have to make their appearance. It is futile to expect the leadership which fought and ultimately lost the battles of the 1930s and '40s to make a political comeback. Second, American labor will have to enter a new period of unrest and insurgency. These are the minimum *necessary* conditions for meaningful independent political action. Whether they are also *sufficient* conditions can be decided only in the light of conditions prevailing at the time of their fulfillment.

In the meantime, as in the infancy of every new political movement, the primary job is education and propaganda. It is a big enough job in all conscience. No one need feel that there is nothing to do.

THE PASTERNAK AFFAIR

In science and economics, the socialist world is doing very well indeed, but in certain other respects it is clearly headed for a first-rate crisis. That, it seems to us, is the unmistakable meaning of the Pasternak affair.

Neither the quality of *Dr. Zhivago* nor the motive of the Nobel Prize judges has anything to do with this aspect of the matter. The fact is that Pasternak is an outstanding writer whose work deserves to be widely published and to be judged on its artistic merits. The Soviet leadership refused to allow his latest book to be published in the USSR and now condemns it in the kind of vulgar, anti-intellectual terms which would do credit to a Goebbels.

How are we to interpret this? It seems to us that there are only two possible explanations. First, the leadership is really afraid that a greater degree of artistic freedom in the Soviet Union would lead to the development of a climate of attitude and opinion which would endanger the foundations of the socialist order. Or second, those now in power, men and women formed and trained in the Stalinist era, abhor any manifestation of intellectual independence and fear it as a threat to their own prestige and authority. Possibly both of these explanations are relevant, or (what comes to pretty much the same thing) it may be that the present leaders are incapable of distinguish-

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ing between a threat to the social order itself and a threat to their own positions.

In any case, both the initial refusal to allow Pasternak's book to be published and the violence of the reaction to the prize award seem to evidence a profound split between leadership and people. Moreover, reports of reliable observers who have recently been in the Soviet Union point in the same direction. An attitude of distaste and even contempt for the cultural standards and policies of the leadership seems to be spreading among Soviet intellectuals and students, and corresponding views are being expressed more and more openly, even to foreigners. If this goes on—and there is no reason to expect that it won't—it seems clear that sooner or later the leadership is going to have to face the alternatives: either back to full-fledged Stalinism, terror and all; or forward to a genuine *and growing* liberalization of intellectual life. But it is hard to imagine either course being followed by the present leaders, both the way forward and the way back being strewn with formidable political and psychological obstacles. As in all cases where pressures build up and outlets are obstructed, the outcome is likely to be a crisis.

This is a tragedy, of course. It would be much better if human affairs progressed smoothly and without setbacks. But they don't, and it is no good either pretending that they do or wailing about the fact that they don't. It is preferable to recognize the inevitability of ups and downs and to do whatever is possible to maximize the ups and minimize the downs.

In the present case, this has a special meaning for foreign friends of the Soviet Union who deplore the Pasternak affair and at the same time wish for nothing more devoutly than the humanizing and liberalizing of the socialist world. It means that they should take special pains to avoid being trapped into aiding and abetting the cold warriors. Merely parroting the Dulles-Luce line that the treatment of Pasternak shows what a wicked place the Soviet Union is can serve no other purpose than to exacerbate the cold war. Moreover, as Joan Robinson says in a letter to the *New Statesman* (November 8th), "those who exploit the affair for political ends, and are therefore better pleased the worse it gets, are dangerous enemies to Pasternak, and to the cause of liberalization in the USSR."

For the rest, we certainly agree that the Pasternak affair spotlights grave evils in the Soviet Union. Censorship of books and persecution of authors are barbarian practices, and to our way of thinking they are in no way improved when a socialist country engages in

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them. But there is also a brighter side to the coin. For those with eyes to see, the affair shows, even if more dimly, the emerging outlines of an educated and sophisticated public which is growing increasingly restive at being kept in leading strings by a dictatorship which acquired its standards and habits of mind in an entirely different era. In the long run, no doubt, this public will have its way, to the benefit of the Soviet Union and the socialist world in general—and of all the rest of us too. (November 15, 1958)

It is true that the writer must make a living in order to exist and to write, but he ought not to exist and to write in order to make a living. A true writer in no way regards his work as a means. *His works are ends in themselves. So little are they a means for him or for others that when necessary the writer sacrifices* his *existence to theirs.*

—Karl Marx

Your whole argument against my motto, "Here I stand, I can do naught else!" amounts to saying: that's all very fine, but people are too base or too weak for such heroism, and therefore we must adapt our tactics to their weakness. . . . I find that a very narrow conception of the world.

There is nothing more subject to rapid change than human psychology, the psyche of the masses embraces a whole world, a world of almost limitless possibilities. . . . The masses always represent what historical conditions make of them at a given moment, and the masses are always capable of being very different to what they may appear at any given moment. It's a poor navigator who steers his ship by the superficial weather signs around him, and fails to use the means science has given him to foresee approaching storms. . . . A real leader, a leader of real moment, will make his tactics dependent not on the temporary spirit of the masses, but on the inexorable laws of historical development. He will steer his course by these laws in defiance of all disappointments and he will rely on history to bring about the gradual maturing of his actions.

—Rosa Luxemburg

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THE POLITICS OF CONTEMPORARY CAPITALISM

BY RALPH MILIBAND

Fascism and Liberal Democracy

Men of property have always disliked democracy. The gay and the splendid, as Robert Owen aptly called them long ago, have always feared popular participation in politics. There is no instance where, as a class, they have not opposed the coming of universal suffrage. And there are numerous instances of their efforts to destroy representative institutions altogether when those institutions appeared to constitute a real threat to their power, property, and privileges.

Fascism in Germany and Italy remains the most extreme example in this century of the anti-democratic propensities of the gay and the splendid. Hitler and Mussolini did not conquer power. It was offered them by those who had held it until then, but who no longer felt able to wield it unaided. For all its complexities, and they were innumerable, fascism was beyond all else a gigantic protection racket run by the fascists for their elites. The fee was substantial, much more substantial than the fascists' customers had expected. But since the fascists fulfilled their part of the contract by destroying parliamentary institutions, independent trade unions, and left-wing parties, the customers paid, and went on paying without much demur down to and including the last stages of the war. There were Germans who fought the Nazis even when the Nazis seemed invincible. Germany's traditional elites were not conspicuous among the inmates of the concentration camps.

The 1930s were haunted by the threat and then by the reality of fascist aggression. But millions of men and women in those tortured years were equally haunted by the fear that local elites, impelled by the same motives which had driven their German and Italian counterparts to an alliance with political gangsterism, would seek to replace liberal regimes by suitably adapted "national" variants of fascism.

It has, since the end of the war, been fashionable, even among

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some who were then themselves the loudest prophets of disaster, to dismiss these fears as childish fancies or pathological nightmares. This was conveniently to forget how many top people were soft on fascism in those years, and that there did then exist among them a compelling, often an overt, sympathy for a political system which was not only dedicated to the destruction of Russia, the true embodiment of barbarism, but in which people as well as trains ran on time, in which labor was "disciplined," left-wing parties crushed, and social subversion decisively beaten back.

It was also to forget that it had "happened here"—in the case of France for instance. For it was not least the anti-democratic propensities of the French traditional elites which made it so easy for them to accept defeat in 1940, in many cases to welcome it. Defeat made Vichy possible, and Vichy meant a restoration of social discipline of which the Third Republic had proved incapable, and a strengthening of social hierarchies which had been equally beyond its powers. Defeat at least guaranteed that nightmares like the Popular Front of 1936 would not recur. Following much the same reasoning, substantial segments of the ruling orders of the rest of Occupied Europe would not have found it very difficult to reach permanent accommodation with Hitler's New Order, had that New Order endured.

But Hitler was defeated. A war was won which was not begun for democracy but which was waged in its name. And no sooner did that war end than conflict with Soviet Russia, interrupted by a fortuitous alliance that was always more apparent than real, was resumed, also in the name of democracy, democratic values, and democratic institutions. Over the last two decades, not a day has gone by in which the spokesmen of the West have not loudly proclaimed their devotion to liberal democracy, their love of representative institutions, their fierce determination to preserve the so-called open society.

These protestations could not but arouse profound skepticism. For the same ardent devotees of democracy showed no hesitation in supporting and allying themselves with regimes which were on any reckoning, the very antithesis of democracy.*

And most recently, the ease with which French parliamentarians have surrendered to the threats of rebellious army men and political adventurers demonstrates yet again how much suspicion should attach

* Unless of course it is argued that *any* regime, however foul, which is also anti-Communist is by definition democratic.

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to the liberal rhetoric of so many of the self-professed champions of freedom and democracy.

Nevertheless, it is true that the authoritarian propensities of the men of power, property, and privilege have been greatly subdued since the war within their own societies. The threat of fascism has lain dormant everywhere in Western Europe since the war, and even lay dormant in France until recently, despite conditions of permanent and acute *malaise*. The fundamental reason for this, I submit, is that parliamentary regimes have proved far more compatible with the paramount interests of the gay and the splendid than was thought likely in earlier days.

It is with some of the more important elements which have gone to make up that compatibility that I now propose to deal.

Western Communism

The political attitudes of the gay and the splendid, and the political strategy of those who speak for them, are largely determined by the view they take of the dangers they face from the Left. And the most important fact about the Left in Western Europe since the end of the war is that it has come nowhere near to presenting a really serious threat to the established order.

Every Western Communist Party, save the British, came out of the war greatly strengthened. In Italy and France, they were, at the time of liberation, the largest and best organized of all parties. And they were also armed. Yet, any Communist attempt to seize power at the time would have resulted in a civil war in which the Communists' opponents would have enjoyed, as in Greece, the full military support of Britain and the United States, while they themselves would not have been able to count on help from the Soviet Union. Instead, they accepted the offer of a share of power in postwar governments.

This seemed to represent a major Communist advance. In fact, the gain was almost wholly to the other side. For it immediately neutralized the Communists as a source of discord at a critical time by trapping them into the constricting net of constitutional respectability. It compelled them to play second-fiddle in non-Communist orchestras, and to play from a score to the composition of which they had made no more than a marginal contribution. But, given the impossibility of seizing power, there was precious little they could do about it, except to go back into opposition. And this they felt to be highly undesirable since they believed that the share they had obtained

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in the running of the house was only the prelude to their taking over the whole management.

But this too was illusory. For Communist participation in postwar coalitions could not represent in France or in Italy, as it could and did represent in Czechloslovakia, the first stage in the Communists' capture of power. It was the prelude to their exclusion from it. So long as they were badly needed to provide the disciplined cooperation of the working classes in the task of reconstruction, they were tolerated if not actually welcomed. But once they could be dispensed with, they were dismissed and thrown back into habitual, and largely ineffective opposition.

The sober fact is that the French and Italian Communist Parties —the others are not worth mentioning in this context—have not only failed to be serious contenders for power in the postwar years: their total *positive* impact on the politics of the period has been remarkably small.

Communist social revolution is frozen in Western Europe. And it is frozen not only for internal reasons, but also for external ones.

America in Europe

External reasons in this context primarily means the role of the United States in Europe since the war.

Few things have given the elites of Western Europe a greater sense of security than the knowledge that the United States could be wholly relied on to come to their help should they be threatened with left-wing "subversion" from within. In that sense, America has been an admirable substitute for fascism in Western Europe. For it has supplied local legitimists with a degree of contingent strength vis-à-vis the Left which they themselves were not confident they could muster. The variety of pacts and alliances which now bind the United States to every country of Western Europe are far less important for the promise of help against foreign aggression which they contain than for the promise that the United States would help the forces of legitimacy to resist "internal subversion," a usefully elastic term, which might mean very different things in different contexts.

There is no sane Western politician who has lost a night's sleep over his country's exposure to a Russian military attack. But the same politicians have only been able to view with relative equanimity the internal challenges they have confronted, or feared they might

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confront, because of their certain knowledge that, come what might, they would not be abandoned by the United States.

How far American pressure was actually responsible for the expulsion of Communist ministers from postwar governments, and how far American help to these governments was made conditional upon such expulsion cannot at present be ascertained with final, documented precision. But it is certainly difficult to doubt that the continued exclusion of Communists from any share of political power, however marginal—and Communist parties have long asked for little more—has not only been due to the hostility, fear, and suspicion they evoke among other parties, profound though these feelings have been.

It has also been due to an absolute American veto, to which the other political parties have willingly submitted. And the creation of NATO has obviously made any absorption of Communist parties into the normal process of politics in the pattern of 1945-1947 a matter of the most extreme difficulty.

In countries like Italy and France, where they are the parties of the working classes, this has not only falsified the operation of parliamentary government; it has also meant in effect that the working classes, so long as they continue to support their Communist parties, are permanently prevented from having any share in the shaping of their countries' destinies. They are in a state of permanent internal emigration.

Moreover, America has had a profoundly conservative impact even on countries with negligible Communist parties. This is a story which remains to be written. But it is clear, at any rate, that American aid to Europe in the postwar years bought off discontent at a price which the local economies were in no position to pay without drastic reorganization; and it thus made it the easier to put off that reorganization to the indefinite future. Furthermore, it paved the way for the enlistment of Western Europe in a cold war which, as I shall argue presently, has greatly contributed to the strengthening of legitimacy.

But America, for all its power, could not have played the role it has, had it not been for the eager cooperation which it has received from social democracy.

The Role of Social Democracy

Social democracy has been at the very centre of European politics since the end of the war. It badly needs a proper sociology, the

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more so since it is a very much more complex phenomenon than either its devotees or its critics on the Left have ever allowed.

Any such sociology would have to include as one of its main themes of analysis the permanent contradiction between social democratic promise and social democratic achievement.

The promise, always, is of social revolution, of the disappearance of capitalism and its replacement by the collective ownership of the means to life, of the creation of the classless society and the humanization of social relations through the diffusion of the cooperative ethos; and so on.

At no time has social democracy formally renounced these aims. Its own image has never been that of a movement content to administer society or to minister to its more immediate ills.

Parties, however, must be judged not by what they say, but by what they do, particularly when they have been doing it for a quite considerable period of time. And the scarcely controvertible fact is that social democracy, in the light of its achievements, has been about lots of things, but not about the disappearance of capitalism. This, as Harold Laski used to say, it has been glad to view in the perspective of geological time.

What it has been about mainly is making life more tolerable for the working classes *within* the ambit of the capitalist system. It has been about health, housing, education, wages, industrial relations, social insurance, old age pensions, state intervention in economic life; and also, though not without hesitation, about the public ownership of basic utilities—something which the gay and the splendid themselves, in the conditions of contemporary capitalism, view with little real disfavor.

Social democracy, for most of its existence, has been primarily engaged in political brokerage between labor and the established order. This is a function which is of crucial importance to modern capitalism, and it is not one which can be properly performed by trade union movements alone, save, so far, in the special circumstances of the United States. Twentieth century capitalism requires political, as well as industrial, brokerage, on a continuous and organized scale. It requires a political party which can provide the working classes with a convincing promise of real concern for their well-being, yet sufficiently integrated into the established order to make and keep a reasonable bargain.

Social democracy has always been willing to make a bargain. It has become progressively more involved in and part of the politics

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of capitalism. Its leaders have, ever more frequently since the war, held out eager hands to hold a baby they had not fathered, towards whom they were supposed to nurse hostile feelings, but for whose well-being they have shown a concern as tender as that of its natural parents.

It has not been an altogether easy role to play. Social democratic parties have always included socialist minorities who have regularly sought to push their parties away from orthodoxy and in the direction of socialist change. This has often produced bitter intra-party battles. But the notable thing about these battles is not their occurrence, but their outcome. Victory—at least so far—has always rested with the social democratic Establishments. These have always managed to retain command of the party machines, the party leadership, and, most important of all, the command of the allegiance of the majority of the rank and file.

This last fact points to a cardinal fallacy in socialist denunciations of social democratic leaders. The fallacy lies in the attribution to those leaders of the sole responsibility for the orthodox postures of their parties. This is too simple. The process is too general and deep to be explained in these personal terms alone. In a complex but potent dialectic, the social democratic Establishment is both the source *and the reflection* of its clientele's attunement to capitalist regimes. It expresses *both* the dissatisfaction with and the acceptance of those regimes by its rank and file.

The social democratic Establishment has remained afloat on a wave of social amelioration which, *whatever the means,* has been proved possible within the framework of capitalism. If absolute pauperization had been an inevitable feature of the system, it would have perished long ago in a series of revolutionary convulsions, or, alternatively, it would have had to be maintained by means of wholesale repression. And even if the thesis of relative pauperization were held to be more plausible, the accent would still have to be on "relative" rather than on "pauperization." Nor would the validity of that thesis distract from the reality of social reform in the postwar era, or from its importance in making politically possible the orthodox postures of social democracy.

Even so, orthodoxy in home affairs has been as nothing in comparison to social democracy's eager acceptance, since the war, of foreign policies defined, in their main outlines, by those who speak for conservatism and legitimacy.

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Here too, social democracy has never ceased to pay tribute, in a very blurred sort of way, to the concept of international solidarity and to proclaim its attachment to ideals which transcend the narrow categories of the "national interest." But in this, as in other regards, concrete action has consistently belied announced intentions. Nowhere has social democracy embarked on distinctive foreign policies; at no time have its orthodox leaders shown any real willingness to think out what a foreign policy based on socialist premises must mean in an age dominated by the antagonism between the United States and Soviet Russia.

This failure has been most clearly manifested in social democracy's unqualified support for the Atlantic alliance. The leaders of social democracy have never seemed much troubled by the fact that the dominant partners of that alliance have been, on their own admission, inspired by a social philosophy diametrically opposed to their own, or supposedly their own. Their devotion to NATO, the modern version of the Holy Alliance, has been almost religious in its intensity.

Whatever more or less plausible arguments may be advanced for this social democratic commitment to American leadership, its net result has been enormously helpful to the forces of conservatism. Without the acceptance by social democracy, in fact if not in words, of bipartisanship in foreign affairs, it would have been much more difficult to embark on a massive military effort designed to make of Western Europe an advance bastion of American military power; or to obtain popular acquiescence in a nuclear strategy which suggests ever more clearly that its architects are now well past the threshold of rationality.

And, in a larger context, it would have been very much less easy, without social democracy's willing cooperation, to take the sting out of parliamentary and representative institutions, and to reduce to trivial proportions the critical role which these institutions are supposed to fulfil in a democratic regime.

Towards Illiberal Democracy

As in the case of social democracy, there is a traditional image of liberal democracy. That image is a composite one; it includes the responsibility of the rulers to the ruled and the narrowing of executive prerogative; the subordination of the military to the civil power; the free access to accurate information and open government openly arrived at; the continuous debate of affairs by an alert electorate;

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freedom to disseminate dissent; the free and effective choice of genuine policy alternatives.

Of course, accounts of liberal democracy, like descriptions of socialism, have always been written in the optative mood. But democrats have always believed that universal suffrage, social reform, the growth of education, the development of the labor movement, and the escape of the working classes from helot status must inevitably hold out the promise that image and reality must, sooner or later, come to terms with each other.

Fascism in the interwar years showed that capitalist regimes held the possibility of a drastic alternative to these expectations. The evolution of liberal democracy since the end of the war now suggests that there is another alternative, less drastic than fascism, yet very different from the image which liberal democracy has of itself. Liberal democracy rests, so we are told, on consent; its life is debate. What does this mean today, in real life?

Consent used to be thought of as the affirmative response of the individual citizen to the rationally presented policies of his government. Whether that kind of consent has ever been more than an edifying myth is neither here nor there. What is quite certain is that it is a myth *now*. Consent is nowadays, and on an unparalleled scale, the result of engineering, of sloganized reiteration, of proof-by-repetition. All governments whatever their complexion, are now highly skilled at this business and are constantly getting better at the techniques of thought manipulation.

Superior persons often argue that this is "inherent" in the age of mass politics. This is very comfortable. For if it is "inherent," nobody is responsible, except the swinish multitudes who stubbornly refuse to lift themselves to those plateaus of civilized political discourse upon which their betters would supposedly wish to dwell. In fact, elites, whatever they may wish for themselves, do not wish for clarity and the rational discussion of issues.

It is in a climate of encouraged triviality and induced confusion that the public debate of affairs now proceeds and provides the appearance of freedom without endangering the reality of power. For it is less and less upon the outcome of public debate that actual policy making, particularly in the realm of foreign and military affairs, now depends. Formally democratic governments now have a freedom of action which democracy is explicitly intended to deny them.

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Two interrelated factors have greatly contributed to this debasement of the democratic political process. One of them is the progressive militarization of Western societies, made inevitable by the emergence of the cold war as the dominant fact of national and international life. It is as sound an axiom as any in politics that military and democratic values are antithetical. But its validity has been massively reinforced in an age where strategy and science are closely allied, and when both feed on secrecy.

Science in our time has made possible a marvellous increase in the human capacity to understand the nature of the physical universe. But it has also, in the very act of extending knowledge, enormously widened the gap between the knowledge of the few and the ignorance of the many. The more some know, the less most do; the greater the knowledge, the greater the ignorance. Here is relative pauperization with a vengeance. Alienation in our time has acquired a new dimension. But it is not only alienation from scientific reality; it is also alienation from military-political reality.

Alienation breeds a sense of impotence, a paralyzing feeling that the issues are too big, too complex, too terrible, for meaningful participation in policy-making. It is conducive to the private life. Most people want peace; but in the ceaseless din of conflict, they yearn for peace and quiet. The greater the danger, the greater the temptation to seek refuge in privacy from an intolerable burden of choice. Gardening thus becomes an ever more popular hobby.

The cold war has also eased democratic pressure in other regards. The emergence of a permanent enemy has, Orwell-wise, proved an enormous boon to conservatism in that it has given a new plausibility and a new lease of life to the notion of national unity in the face of a common peril. This is something legitimists are always preaching, which is hardly surprising since the unity they advocate is always on their own terms. Conservatism needs perpetual Dunkirks. And the fact that the permanent enemy is also both the embodiment and the active exponent of social revolution, of an alternative social system, has made it the easier for conservatism to give to the advocacy of fundamental social change the vague aura, and, in places, the precise character of "disloyalty" or worse.

Loyalty is another one of those elastic terms which has been usefully stretched in the postwar era. At its tautest, it now means an unquestioning acceptance of, and a dedicated allegiance to, all the major policies and arrangements which happen to suit our rulers. To question these policies is somehow evil, treasonable, anti-national.

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It is, of course, true that the meaning of loyalty is not permanently as taut as that. But this should not cause anyone to underestimate how far it *has* now been stretched; nor how much the insistence upon "loyalty" has corrupted the political climate of liberal domocracy by encouraging *basic* conformity (i.e. acceptance of the notion that socialism is evil and the strategy of the Holy Alliance good) as the safest posture for the good citizen.

There are other means of discouraging dissent, and the modern liberal state is generous in their use. It has now a highly extensive internal spying system; it opens letters, taps telephones, denies passports, confiscates "subversive" literature, dismisses its employees on suspicion of past, present, and future "disloyalty," and much else besides. Nor are these activities improvised, temporary expedients. They are permanent, institutionalized, bureaucratically rationalized techniques. They do not amount to fascism, the police state, or tyranny in the classical sense. They merely signify the steady erosion of freedom, a continuous exercise in the habituation of society to governmental techniques which shock today and become part of the landscape tomorrow. There is no longer a qualitative break between liberalism and straightforward authoritarianism. As they say, it's all a matter of degree. Up to third degree.

Conclusions

Societies, we have learnt, *can* live half-free. But it is an illusion to think that the political equilibrium which has existed in Western societies since the war is a stable one, that it represents a lasting answer to the multitude of tensions by which these societies are beset. Recent events in France make it unnecessary to labor the point. And it seems as certain as anything can be in an uncertain world that the economic viability and growth of the Communist bloc will be a dominant feature of the post postwar era, that the frightful investment of the Stalinist age will pay growing dividends. Which means, in the vocabulary of our epoch, that the Communist threat will grow.

One answer to this threat is to blow up the planet, a contingency which is now by no means excluded. Another is to seek comfort (certainly not security) in the manufacture and improvement of weapons of war, which increases the likelihood of collective death. But even if it does not bring collective death, the dynamics of the cold war must produce an even greater erosion of democracy within Western societies. Both cannot permanently coexist.

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On the other hand, the end, or even the slackening of the cold war would not remove the social, economic, and therefore political tensions at large in Western societies. In many ways it would increase them in that it would confront traditional elites with internal pressures which the cold war helps to ease. The example of France shows how soon men of power, privilege, and property everywhere would then discover anew the vices of representative government and seek to act upon their discovery.

The gay and the splendid must either do away with representative government, or they must try to debase its meaning and narrow its consequences. That is the law of their existence. It is a bad law. But it can only be abrogated by the transformation of the economic and social structures upon which their political power rests.

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CHINA SHAKES THE WORLD AGAIN

Following the victory of the Chinese Revolution, Jack Belden wrote a book which he called *China Shakes the World*. Now, a decade later, China is shaking the world again, but this time neither Jack Belden nor any other American is there to report the event. Thanks to the Dulles policy of enforced American isolation, we are obliged to rely for most of our information on second-hand reports coming out of Hong Kong which have about the same relation to the truth as did the reports coming out of Riga in the first years of the Russian Revolution.

In these circumstances it seems to us to be an important duty of the American press to make available to its readers observations and interpretations of Chinese developments drawn from reliable foreign sources. On the whole, the press has not been discharging this duty, though there have been honorable exceptions (the Canadian scientist J. Tuzo Wilson's fascinating article "Red China's Hidden Capital of Science," in the Science Section of *The Saturday Review* of November 8th is a case in point). Our purpose in publishing the two articles below is to help remedy this default and to bring to MR readers an authoritative account of the latest economic achievements in China.

The first of the two articles, on Chinese agriculture, is by René Dumont, Professor of Comparative Agriculture at the Agronomic Institute in Paris. It is translated from *Le Monde* of October 12th. Professor Dumont is the author of *Révolution dans les Campagnes Chinoises* (1957) and one of the leading Western authorities on Asian agriculture.

The second of the two articles is by the Indian economist K. S. Gill and is reprinted in somewhat abridged form from the special July 1958 number of the Bombay periodical *The Economic Weekly*. Starting on a shoestring, Sachin Chaudhuri, the editor, and a small group of devoted collaborators have built up *The Economic Weekly* into one of the most lively and indispensable economic journals being published anywhere in the world today.—THE EDITORS

CHINESE AGRICULTURE

BY RENÉ DUMONT

Back from China in January, 1956, I discussed in *Le Monde* and later in my book (*Révolution dans les Campagnes Chinoises,* Editions du Seuil, 1957) what appeared to be the chief trends in the development of Chinese agriculture. Some people criticized me for my optimism which they attributed to too easy an acceptance of propaganda. What is the situation in the autumn of 1958?

Agricultural production increased by about 4 percent in 1956

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and as much again in 1957, compared with previous years, and a further increase of 6 percent was expected for 1958. Now the first published results, which are confirmed orally by Henri Denis and Charles Bettelheim, just recently back from China, upset all these data. Instead of 185 million tons of basic foodstuffs . . . as in 1957, the 1958 crop is estimated today at between 300 and 350 million tons. Raw cotton should reach 3.5 million tons, that is to say, double the 1957 figure. Until last year there was an acute shortage of fats in China. Soya, at 12.5 million tons, shows an increase of "only" 25 percent, but peanuts, at 6 million tons, have risen by 124 percent; the latter's oil content is more than double that of soya. At 40 million tons, wheat shows an increase of 70 percent, outstripping the United States for the first time and closely approaching the Soviet Union. Semi-late rice, at 56.5 million tons, increased by "only" 40 percent. The late rice crop cannot yet be known as the harvest ends in December, which explains the above lack of precision.

An increase of 60 to 90 percent in the harvest in one year, for a "continent" the size of China, is a phenomenon absolutely without precedent in the world's agricultural history. The vagaries of climate cannot provide an adequate explanation, since the succession of good and bad harvests from 1950 to 1957 was never responsible for a fluctuation of more than 6 percent. The monsoon does not have the same effects in China as in India, where global oscillations in output are much more important, because irregularity in rainfall can affect almost the whole country.

In the four years between 1940 and 1944, when output in the United States was expanding most rapidly, American agricultural production increased by about 40 percent. This result was obtained by making full use, first, of all the productive potentiality of the land which had been allowed to lie fallow; second, of under-utilized tractors; and third, of fertilizer factories which had been working at 50 percent of capacity. China has designed 120 prototypes of tractors but so far is making very few. As yet the capacity of her fertilizer factories is only comparable with that of the Balkan countries.

How was this increase of 60 to 90 percent attained? In 1949 China had 53 million acres of irrigated land, already an enormous task of organization spread over more than two thousand years. In 1955-1956, the irrigated area had risen to 66 million acres and then increased in the course of one year by 19.7 million acres, a phenomenon also without precedent. In the campaign of 1957-1958 alone, the area under irrigation is reported to have been further extended

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by over 74.1 million acres. Thus, more was achieved in 15 or 18 months than had previously been achieved in two thousand years. This increase was more than double the 34.6 million acres it had taken over a century to irrigate in the United States which had much greater mechanical power than China at its disposal. It would appear that 56 percent or 160.5 million acres of the 286.5 million acres now under cultivation are in fact irrigated. Of the remaining 123 million acres 40 percent or 49.4 million acres of especially difficult land should be irrigated within the next three years at the latest. The exact meaning of an "irrigated" acre is not altogether clear. Surely it cannot yet mean complete mastery of water everywhere! But unquestionably irrigation is *the decisive factor* without which it would be impossible to explain such a rapid increase in output.

Irrigation raises yields and makes them more regular; it also makes annual double cropping possible, thereby increasing both employment and the size of the harvest. The use of fertilizers was apparently the second factor contributing to the huge 1958 harvest. Since the chemical industry does not yet have a wide base, recourse was had to all possible sources of natural and organic fertilizer: dead leaves, green manure, refuse, night soil, plant and fish waste, and above all mud taken from ditches and canals, small lakes, and ponds, and rich clay carried on men's backs from the main river beds, the extensive use of which I had already emphasized in 1955. The average dosage of fertilizer per hectare is reported to have reached 130 to 150 tons or ten times more than last year. My notes show that in the year 1955 the Chinese peasant worked between 50 and 220 days in the fields according to the region, or an average of perhaps 125 days. In many parts of the country, he now works more than 300 days; the slogan of China in 1958 is shortage of manpower, and in the country there are only two days' rest a month. Owing to excessive authoritarianism and too low prices, the USSR until 1953, and the People's Democracies up to this day, failed to a large extent in their agricultural policy. The reaction of the Chinese peasants confronted by the massive collectivization of the winter of 1955-1956 has so far been an enigma. Without the active and voluntary participation of the majority, the mountains would not have been terraced nor would the terraces have been held in place by gravel, nor would the gravel have been humped, basket by basket, from the river beds. It is my impression that the Chinese Party has succeeded in marrying its authority to the peasants' consent after due deliberation, a consent obtained by protracted "explanations."

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China now has at her disposal about *half a ton of grain per head* compared to 627 lbs. in 1957. She has thus gone beyond Europe in grain but remains far behind as far as animal products are concerned. Has she really gone so far? According to the *Peking Review* of September 30th, at a reception of the leaders of the Yinju Cooperative last June, Chairman Mao, taking account of the promising harvest, fixed as targets for 1959 or 1960: 1650 lbs. of grain (basic foodstuffs), 110 lbs. of pork, 22 lbs. of vegetable oil and 22 lbs. of cotton fiber per head. And this will be only a beginning, he added. This would put China, in a year or two, at a nutritional level midway between that of Western and Eastern Europe, soon catching up to the Soviet Union in this field.

The repercussions of such a rapid development are extraordinary. The small country blast furnaces produce iron, cast iron, and steel with much labor, but they need much less iron for their construction than the big blast furnaces which, as the USSR learned, themselves consume a high percentage of their production for too many years in the initial phase of economic development. At the beginning of 1958 it was proposed to build 13,000 blast furnaces during the course of the year. At the end of July there were already 45,000, producing 3,300 tons of iron per day; there were 350,000 on September 10th, when *twenty million countrymen and women* were employed directly in the iron and steel industry. Thus, the production of iron and steel should rise from 5.3 million tons in 1957 to 10.7 million tons in 1958; and 20 million tons, or more than France's output, are already projected for 1959. As in agriculture, so in industry all planned targets are upset month by month in China today.

Robert Guillain (*Le Monde* of September 27th, 1958) explained how the collective farm had given way to the people's commune, which frees the countrywomen from housework and from looking after children, and releases them on a vast scale for productive work. Within this framework, education at all levels can also develop widely. The sight of a rural school in front of which, during school hours, one can see draught animals, carts, wagons, and hoes belonging to the peasant scholars, who also do their day's work and will take up their tools as they leave, strikes me as particularly moving, even if in this school political indoctrination is not forgotten. If we do not look out, Chinese peasants' cultural level may well outstrip ours in less than a generation.

On the international field, the repercussions are not less important. The recent weakness of the world grain market intensifies

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the fear of massive exports. The world produces fewer than one million tractors a year, but in order to be completely mechanized, China would need 5 million. She has just lent Ceylon 50 million rupees, in the form of equipment and goods, for 4 years at 2.5 percent interest.

The problem of underdeveloped countries needs a complete rethinking. The "external" aid that we [in France] generously gave, within the framework of the Fides and other development funds, to our former overseas territories which are today provisional members of the Community, was not such as to enable them to make substantial progress. Since 1952, I have continued to stress that the investment of labor was the most important source of saving for all the underdeveloped countries which obviously have inadequate financial resources. The Chinese harvest of 1958—the greatest event of this year, as the sputnik was of 1957—is an irrefutable proof of this principle. This high rate of investment of labor was facilitated by the framework of cooperatives which do not pay wages, but whose members receive remuneration based on the number of "work-days," which are proportionate to the crop harvested. This system worked only because the "work-days" yielded an immediate return in most cases. With the transition from the cooperative to the people's commune, which now owns the land and all the means of production, the small plots having been abolished, wage payments have returned and under these conditions now will make possible a vast increase in output. This wage system will facilitate a new rise of the rate of investment. Since Tibor Mende estimated the 1957 rate of investment at 18 percent in China and 8 percent in India, the gap may well become wider and the village community centers in India must redouble their efforts to increase production rapidly. The richest people's communes are already contemplating the introduction of "free rice"; this is a step towards communism that even the USSR has not yet envisaged.

Certain laws of agricultural economics also need reappraisal. A number of Chinese cooperatives are said to have doubled their number of working days and more than doubled their output in a year, pushing back much further than we thought possible the threshold of the well known economic law of diminishing returns. Under the Italian agrarian reform, output could often only be doubled by quadrupling the amount of labor per hectare. About three years ago, I underlined the *importance of the challenge posed to the West by the transformation of Chinese agriculture*. However, I was very far from appreciating the scale of this transformation, for I was not yet sure that it would be possible for China to achieve her Twelve Year

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Plan, 1956-1967, which aimed at raising agricultural production 2½ times in this period. The actual rate of growth is already faster than that projected in the Twelve Year Plan and is proceeding in an atmosphere of "uninterrupted revolution" which has never experienced a retreat towards any kind of NEP.

Of course, I cannot hold myself personally responsible for the absolute accurary of all these figures, though they are official. At the same time, the amount of information collected is sufficiently consistent for me to assert on my own responsibility that what is happening in China is the most impressive agricultural advance in world history.

TURNING LABOR INTO CAPITAL

BY K. S. GILL

The fields where capital formation has been sharply stepped up, mainly through investment of surplus labor, are: small irrigation and flood control, afforestation and soil conservation, land reclamation and farming, and small power and industry. The achievement in each field is outlined below.

[The material on irrigation, which largely duplicates data summarized in René Dumont's article above, is omitted here.—Ed]

By the end of May, 1958, 51.4 million acres had been afforested. This was 160 percent of the total acreage afforested in the previous eight years of the new regime. In addition, during this period, nearly 20,000 million saplings were planted near houses, around villages and along roads and river banks. Indeed, no nation has ever gone turning its country green in the way the Chinese have done this spring. It had been planned to expand the present forest area of 250 million acres to 500 million acres by 1967 with a view to raising it to 20 percent of the land surface of the country. In the light of the experience of afforestation this spring, the program is likely to be fulfilled in less than five years.

Capital formation in agriculture through investment mainly of surplus labor has been accelerated also in such traditional ways as

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leveling the ground, improving the soil, clearing swamps, developing mountain areas, and reclaiming land. Since the beginning of this year, this process has spread in a really big way to a new field, namely, technical reconstruction of agriculture, in the first instance, by equipping it with semi-mechanized and improved tools. The mounting tool-innovation campaign is, indeed, a budding technical revolution in Chinese agriculture. The improved tools are mostly fashioned by artisans and peasants out of locally available materials. They have opened out a vast new field for investment of surplus labor.

Surplus labor is also finding investment in the development of animal husbandry. Recently great emphasis is being laid on additions to livestock. The number of pigs, for instance, rose from about 146 million in December, 1957, to 164 million by the end of March, 1958. By December, 1958, the number is expected to rise to about 200 million, i.e., by 37 percent, as compared with the figure for December last.

Lately, small power has opened out an extensive new field for investing the surplus labor of peasants and rural artisans. At the end of 1957, the capacity of small rural hydroelectric stations stood at just 20,000 kw, and in the current year alone 900,000 kw of such capacity are to be added. This compares with the total addition of 1.3 million kw to installed capacity in India under the First Plan. In addition, small electric and mechanical power stations worked by small steam and internal combustion engines, and even by wind power, are being set up, primarily to process farm produce. All these stations have been set up mostly by the investment of local labor and by the use of materials and equipment produced locally out of local materials.

Finally, local industry has provided another vast field for capital formation by investment of surplus labor. Emphasis on the expansion of such industry is a major recent trend in China's economic development. To speed up industrialization in accordance with the guiding principle—to build more, faster, better, and economically—accepted recently, it has been decided to establish industries not only in cities but also in small towns and rural areas, coordinating small and medium industries with big ones in a nationwide network. The central government is responsible for developing big industrial units while local authorities and cooperatives look after small ones.

In China local industry refers not to antiquated handicrafts but to small and medium *modern* industries. It does not mean the Charkha and the handloom, nor the hand-pounding of rice and the ghani-crushing of oil-seeds, but small coal and other mines, blast furnaces,

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nonferrous metal smelters, chemical and granular fertilizer plants, units for the processing of agricultural produce, animal products, and wild plants, workshops producing and repairing farm and other machinery, semi-mechanized and improved tools, plants for producing cement and other construction materials, coal carbonization plants, petroleum and shale oil refineries, shipyards producing small steam and other types of boats, printing shops, etc. Local industry is meant, in the first place, to serve agriculture and facilitate the development of large-scale industry, and secondly, to satisfy the needs of the people.

Indicative of the immense scope for capital formation created by this new trend is the expectation that in a few years the total output value of local industries in the country will surpass that of farming. A 37-percent increase in output is expected in the current year alone. Very recently, the "big leap forward" in agriculture has called forth and inspired a corresponding "big leap forward" in local industry.

Within the first five months of this year, more than 520,000 industrial enterprises under local authorities are reported to have been completed and switched to production. This does not include industrial enterprises run by cooperatives or the *hsiang* authorities. It is now planned to build within a year more than 10,000 small blast furnaces with a total annual capacity of 20 million tons of pig iron. This is about 10 times the Indian output of pig iron in 1957.

Within a year, 200 medium and small Bessemer converters with a gross annual capacity of 10 million tons of steel are proposed to be built. Their capacity is about twice India's expected steel output by the end of the Second Plan. A number of small steel-rolling mills are to be built. Three thousand small copper smelting furnaces, with a total capacity of over 150,000 tons of crude copper (about 25 times India's current output), are to be set up within a year. The development of local coal pits has also been greatly stepped up. In the current year new local pits with a capacity of 38 million tons are to be opened, as against 4 million tons of such capacity created last year. Indeed, it is to a considerable extent on this account that coal output is expected to jump from less than 130 million tons in 1957 to 180 million tons in 1958, and 240 million tons in 1959. China's annual *increase* in output exceeds India's *total* output (42 million tons in 1957) by a wide margin. Next year China's coal output would be the third largest in the world, exceeding that of even Britain and West Germany.

Surplus manpower has been the main input in the establishment of local enterprises and the fabrication of equipment for them. More-

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over, since a considerable proportion of these enterprises produce capital goods (metals, tools, machinery, etc.) the surplus labor that finds employment in running them also contributes to capital formation.

Utilization of surplus labor has contributed to the growth of investment in such fields as large-scale industry and mining, major irrigation, power and flood control, modern transport and communications, administrative, commercial, cultural, and residential buildings, and urban public utilities. Construction almost always accounts for well over 50 percent of the total capital formation. Indeed, in the initial stages of economic development, it accounts for about two thirds of the total investment. It did so, for instance, in the United States (W. A. Lewis, *Theory of Economic Growth,* 1955) and the USSR (Central Statistical Board of the USSR, *National Economy of the USSR,* 1957). The fact that construction makes up about two thirds of the total capital formation and that it is very amenable to labor intensive methods, has enabled the Chinese government to step up public investment by drawing on surplus manpower. State investment in capital construction has expanded from 3,711 million yuan in 1952 to 11,905 million yuan in 1957. The budget estimates for 1958 have put the figure at 13,838 million yuan, but the actual amount is expected to be considerably larger because the great improvement in state revenues, resulting from the "big leap forward," makes it possible to increase the allocation for the purpose.

China has been able to tap surplus manpower for capital formation so successfully because of the socialization of her economy, basically completed by the spring of 1957 through the cooperativization of peasant agriculture, handicrafts, and a part of trade, and the transformation of industry and the rest of trade into public enterprise. This has pulled down major barriers to the investment of surplus labor.

In a densely populated underdeveloped country, surplus manpower exists, first and foremost, in the heavily overcrowded agricultural sector. The nature of this surplus has been a moot point among economists. Some identify it essentially as disguised unemployment, others as seasonal unemployment. The latter view appears to be nearer the truth. In a country like India today or China till very recently, where farming is mostly individual and small-scale, the manpower surplus exists mostly as seasonal unemployment of self-employed cultivators and attached agricultural workers.

Disguised unemployment seems to be less important, for it is doubtful if, given the existing technique (the essence of which is in-

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dividual, small-scale farming), a large percentage of the working population could be removed from agriculture without an adverse effect on the total farm output. The proportion of the agricultural working population unemployed or underemployed at peak seasons is rather small. Widespread unemployment and underemployment, largely the latter, occur mostly during slack seasons. Realization of the savings potential under discussion is thus, first and foremost, a problem of investing the vast amount of labor rendered surplus by the seasonal ebb in agricultural activity. Disguised unemployment in agriculture as a potential source of capital formation is of rather secondary importance.

As long as manpower surplus emerges mostly as seasonal underemployment of the agricultural working population, the scope for its investment is very limited. When the seasonal ebb in activity does not mean that fewer men are working, releasing others for capital formation, but only that most of them, being tied to their farms (looking after the cattle and the crops), work fewer daily hours each, the manpower surplus emerges in a form that does not admit of its full or even substantial investment in capital formation. Cooperativization has enabled China to overcome this hurdle. In the slack season, farming operations as such are now attended to not by all farmers, each putting in fewer hours, but by fewer farmers, each continuing to work full time. The labor of the rest is released for capital formation.

To release surplus manpower for capital formation, seasonal *under*-employment in farming proper has to be converted into seasonal *un*-employment. That, in turn, requires that farming should be transformed from small-scale unorganized activity into large-scale organized enterprise. In China, this has been done through the cooperativization of agriculture. In India where small-scale, individual farming continues to be the rule, there remains an effective barrier to the investment of surplus manpower.

Cooperativization has helped China overcome another major hurdle. When idle manpower is availed of to step up capital formation, unless it is unpaid labor, there arises the problem of matching additional investment outlay by additional saving. The persons thus employed, being from the low-income groups, are likely to save but very little of their additional income. The additional saving must, therefore, occur elsewhere. To the extent the problem is sought to be solved through additional net inflow of funds from abroad, the additional saving is effected outside the economy, but to the extent of

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the balance of the amount, the saving has to occur within the rest of the domestic economy. The persons newly employed in capital formation earn extra income equal to their wages. Their marginal propensity to consume being high, the extra income would go largely into consumption. The additional consumption must be met either through additional imports of consumer goods financed by additional net inflow of funds from abroad or through the fructification of additional investment or through measures (mainly inflation and taxation) designed to depress or restrain consumption over the rest of the economy.

The need, in the absence of additional net inflow of funds from abroad, to induce or force extra domestic saving to match the additional investment outlay constitutes an additional barrier to the investment of surplus manpower. Development economics has been acutely conscious of this in recent years. In China, however, cooperativization has overcome this barrier as well. The cooperatives have invested the surplus labor of their members mostly on their own (farms') account. Members working on irrigation, afforestation, reclamation, soil improvement projects, etc., undertaken by the farm, are paid, as in the case of farming operations proper, by having work-days credited to them. The labor invested by members in capital formation is thus paid for by restraining the return on labor devoted to farming proper. This means that the cooperators themselves collectively save the amount which they receive as remuneration for labor invested in capital formation. Indeed, cooperatives in China have been saving more than that. For outlay on equipment, construction materials, etc., required for capital formation, has been met increasingly from the reserve funds of cooperatives.

The increase in cooperative saving to match cooperative investment occurs along with an increase of the cooperators' consumption. The farmers have for their consumption the net disposable output of the farm less the part that is credited to reserve. Most of the cooperative investment being such as bears fruit within the same crop year (minor irrigation, soil improvement, etc.), there is an increase in the net farm output. This is particularly so if, induced by capital investment or otherwise, idle manpower is also drawn into farming proper and there is an all-around increase in efficiency through organizational and technical measures. In China, for instance, the massive investment in labor last winter in irrigation works, flood control, soil improvement, etc., has induced a similar intensification of effort this year in the collection of manure, seed selection, ploughing, sowing,

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hoeing, weeding, etc. By the end of April enough of the fertilizers of all kinds had been collected to average 54 tons an acre, which is three times (in terms of plant nutrients) the amount accumulated in 1956. As a result this year the rice acreage is expected to expand by 18.53 million acres, maize acreage by 3.88 million acres, and potato and sweet potato by 10.78 million acres. Naturally a "big leap forward" in agricultural output is anticipated. A part of the increase in output will be absorbed in additional allocation to the cooperative reserve and the rest would go to swell the disposable personal incomes of farmers. The system under which farmers receive payment for the labor invested in capital formation by having work-days credited to them would depress only the cash and kind payment per work-day unit. The total payment per person during the year would increase on account of the members earning many more work-days than previously. The farmers' consumption would thus increase along with cooperative saving.

Cooperative investment, financed by cooperative saving, being the chief means of tapping surplus labor as a source of capital, steps have been taken to extend its scope. Farm cooperatives are now being encouraged to invest in small industry, provision of educational, public health, and cultural facilities, improved and semi-mechanized equipment, and livestock. Large-scale investment in housing may be expected to begin soon. To enable the cooperatives to save enough to meet the cost also of the equipment and materials required for capital formation, the absolute amount of the agricultural tax has been fixed for the next five years at the 1958 level. This, together with the 61 percent increase in agricultural output envisaged during the Second Plan period (1958-1962), would enable the cooperatives to allocate larger amounts to reserves. To the same end, ceilings on the percentage of cooperatives' income required to be allocated to reserves have been raised or altogether eliminated recently.

Cooperativization of agriculture has enabled China to overcome other important hurdles in the way of the investment of surplus manpower. Previously the building of minor irrigation works, afforestation, reclamation, soil improvement, etc., were often impeded because these were beyond the scope of individual effort, resource, and field of operation. Jealously guarded property rights in individual plots of land and lack of interest in improvements that would benefit mostly someone else's land and crops, also very often worked in the same direction. Cooperativization has radically transformed the situation in these respects.

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Cooperativization of handicrafts, undertaken as part of the socialist transformation of the economy, has, like the cooperativization of agriculture, created an institutional framework capable of tapping surplus manpower in this sector for capital formation both within the sector and elsewhere in the economy. The expanding demand for handicraft-produced farm tools and other equipment and consumer goods has further stimulated such capital formation. Socialization of trade (through substitution of state and cooperative trading for private trading) has enabled it to be carried on with fewer men. The rest of them, representing previously existing disguised unemployment, have been released for production and capital formation.

While the expansion of cooperative investment has tapped the savings potential represented by seasonal unemployment, the much larger expansion (in value terms) of state investment in capital construction has increasingly tapped the potential represented by outright and disguised unemployment. This, too, has been made possible by the socialization of the economy. Rapid expansion of public investment has not been thwarted by the inflationary barrier because the socialization of the economy has made it possible to finance such investment mainly through saving rather than credit creation, or, as the term goes in India, deficit financing.

The creation and rapid expansion of the public sector, embracing not merely overheads but also highly profitable enterprise like external and internal trade and manufacturing industry, together with its growing efficiency and a suitable wage policy (under which the ratio of wages to net value added has been kept at about 1:2) has greatly and continuously increased public revenues by swelling the profits of public enterprise. The end to tax evasion (the bane of all underdeveloped countries), also made possible by the socialization of the economy, together with rapid expansion of economic activity, has also added to public revenues by swelling the yield of taxes on industry and trade. At the same time, socialization of defense and administration has enabled repeated cuts in current administrative expenditure.* The net result of all these developments has been cumulated expansion of public saving, making it possible to achieve a corresponding expansion of public investment without resort to excessive credit creation. The socialization of the economy has also been helpful in that property rights in land no longer impede capital construction projects.

* The expenditure on defense and civil administration declined from 8,654 million yuan in 1953 to 7,000 million in the 1958 budget estimates. This is in marked contrast to the trend in India.

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Apart from that, it has assisted the realization of the savings potential, represented by surplus manpower, by creating an institutional framework that is consonant with such realization not only economically but psychologically. The new environment has made possible an effective campaign against "white collarism" which in a class society often prevents investment of the surplus labor of the entire population. At the same time, the vision of a China leaping forward to the front rank of nations has fired the imagination of the people. In the new socialist society, the 600 million Chinese people are thus not only enabled but also inspired to strive their utmost for national construction. There is every chance that in less than 10 years, China will be the third country in the matter of industrial output and the first in agricultural output.

In an underdeveloped country, genuine socialist transformation of the economy thus emerges even more as an instrument of accelerated economic growth than of social equality. It appears to be about the only way in which the full weight of surplus manpower can be thrown into capital formation and other spheres of national construction.

There are divided, weak, helpless nations in the world—many of them. They now have renewed proof that the way to overcome their divisions, their weakness, their helplessness, is not through relying on the advanced capitalist countries of the West (as did the China of Chiang Kai-shek) but on the contrary through breaking with the advanced capitalist countries, repudiating *their institutions and methods, and striking out boldly on the path of socialist revolution.*

—MR, Review of the Month, January 1951

HAVE *YOU* JOINED
THE ASSOCIATES YET?

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MAO'S "AMERICAN BOSWELL"

BY LEO HUBERMAN

Two books had a profound effect on many thinking people in the generation that came of age in the 1930s. The first was *The Coming Struggle for Power* by John Strachey; the second was *Red Star Over China* by Edgar Snow.

Strachey's book was a brilliant analysis of capitalism and imperialism, a scathing indictment of Social Democracy, and a persuasive argument for the establishment of Communism as the next step forward in the history of mankind. Published in 1933 when the depression was at its worst, it commanded the attention of thousands who formerly had no interest in economic affairs but were now forced, by circumstances, to seek an explanation for the collapse of the economic system. Strachey's diagnosis—and suggested cure—made sense to them.

Snow's book, though completely different in content and approach, moved them further along on the road to the Left. That was not the intent of the author, who was concerned only with reporting the facts as he saw them. But the mere recital of the facts about Red China, the Chinese Red Army and its leaders, its program and policies, came as a revelation to a world fed for a decade on more than the usual quota of anti-Communist lies.

The first Chinese Soviet was established in Hunan in 1927. For nine years thereafter a news blockade was in existence which no non-Communist observer was able to penetrate. Ed Snow broke the blockade in 1936. He succeeded in getting into Red territory and spent four months with the Red Army and its leaders. He lived with them, photographed them, and questioned them. He became Boswell to Mao Tse-tung, for whose capture Chiang Kai-shek had offered a reward of a quarter of a million silver dollars. He got a detailed account of the incredible story of the Long March of 6000 miles. His *Red Star Over China,* published in 1938, was one of the greatest journalistic scoops in history.

It was not an accident that Snow, at the age of 32, scored this scoop. For he was already a great reporter. You can count on the fingers of both hands the names of the American journalists who

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deserve that appellation—Lincoln Steffens, Paul Y. Anderson, Walter Duranty, and I. F. Stone come to mind—and Snow is of that company.

What is it that distinguishes the work of a great reporter? It is not enough that he seek out and report the facts honestly—he must reflect on what he sees. It is not enough that he report what happened—he must interest himself in *why* it happened. He must read widely so that he has the necessary background for understanding what he sees and can ask the right questions of those who know the answers. And he must care enough about people so that after careful and honest analysis of the evidence he will line up on the side of justice and decency. Schools of journalism to the contrary notwithstanding, there is no virtue in sitting on a fence when reason points the way to getting off it. So he must take sides—without ever falling into the error of reporting what he hopes in place of what he sees.

In Snow's new book*, a fascinating synthesis of personal and political history, we see him grow to be that kind of a reporter. Fresh out of one of the better schools of journalism (University of Missouri), he landed in Shanghai in 1928 when he was 22 years old. He says, "I was then as convinced as Mr. Dulles was thirty years later that morality lay on the side of Chiang Kai-shek." And then he adds: "I had yet to learn that in politics as in medicine one must diagnose before prescribing, that the patient here was China, not the Outsiders, and that a nation's political behavior is not finally determined by moral judgments from abroad so much as by practical demands of the deepest internal hungers which motivate it from within."

What he "had yet to learn" he learned so well that *Fortune* later called him "the greatest reporter who ever came out of Asia." Today, with the United States in league with Chiang Kai-shek, we are fortunate to have available the considered reflections of such a well-informed expert. Snow's new book, like *Red Star,* is published when it is most needed.

Not for long did he think, as Mr. Dulles does today, that "morality lay on the side of Chiang Kai-shek." The group around Chiang was corrupt; most of the national budget was spent on his campaigns to rally the warlords under his command; his gangsters

* Edgar Snow, *Journey To The Beginning,* Random House, New York, 1958, $5.00.

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went in for wholesale arrests, assassinations, executions, and burying alive of so-called "subversives." Snow writes:

> The usual arguments against Communists as apostles of violence and destroyers of "individual freedom" had small relevance in China's *realpolitik*. Freedom in the Western sense did not exist and political change was still something attainable only by armed supremacy. Called upon to judge the Kuomintang seizure of power for one purpose, few Chinese could distinguish in it any ethical superiority over the Communists, who openly sought power in the name of the "have-nots" at the expense of a minority of landlords, militarists, treaty-port bankers and—during the Japanese period—foreign conquerors.
>
> Contrary to opinion held in America the Kuomintang never posed a clear moral alternative to the Communists but competed with them purely on a basis of efficient use of force.

In the war between the Reds and Chiang, the Reds won because they had a program that answered the needs of the country, while Chiang and his clique had no program other than that of getting richer by further exploitation of the people. The Reds were concerned with the struggle against imperialism—they wanted to fight the Japanese invaders; Chiang was concerned with fighting the Reds—he would have made peace with the Japanese if he could have gotten away with it.

The Reds won the war and everybody in the world—with the exception of the United States—knows it. It was United States power, and that alone, which put Chiang and a few hundred thousand refugees on Formosa and keeps them there. And now, most of the "more liberal" commentators who see the injustice—and the danger—of our getting embroiled in a war over Quemoy and Matsu argue that we should give up these islands and "make our stand" on Formosa, that there should be "two Chinas," and so on. What hypocrisy! It is as though a thief, having stolen $1.05, is to be applauded for grudgingly giving up the 5 cents while insisting that the $1 is his own.

India and the other countries in Asia not entwined in the "free world" net are not deceived by our pious protestations against the "use of force." Snow gives the Asian position on the current dispute between Red China and the United States in these pointed words:

> It was America's pretensions to moral authority in its intervention in China's internal affairs which seemed most hypocriti-

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> cal to Asian eyes. Clearly the Formosan protectorate had been set up under the shelter of American armed force. Clearly it was that force which alone maintained the Chiang Kai-shek government. Yet our argument against recognition of the Chinese republic, and its claims to sovereignty in Formosa, rested solely on the contention that *we* could not countenance "changes brought about by force." (Emphasis in the original.)

Though the greater part of Snow's reporting years in Asia were spent in China, he covered most of the other countries also. His entry into Red China in 1936 was not his only scoop—he had several "firsts" in other countries as well as in China. In fact, one is amazed at the frequency with which he seemed to turn up wherever things were about to pop, particularly since he did not go in for the kind of conventional newspaper work which meant "covering everything in dread of even a one-minute 'beat' by the opposition." In telling the story of his unwillingness to take a job with the Associated Press because the "agency grind" meant just that, he puts his finger on one of the reasons for his great success:

> I had let conventional coverage go to the devil and read and studied when I pleased, and found news in what interested me. And what interested me was chiefly people, all kinds of people, and what they thought and said and how they lived, rather than officials, and what they said in their interviews and handouts about what "the people" thought and said. I had discovered that not many officials or bureaucrats really knew much about that.

Perhaps for the very reason that this was his formula for reporting the news, he got to know well in addition to Mao, Chou En-lai, Madame Sun Yat-sen, Lord Inverchapel, Litvinoff, Roosevelt, Gandhi, and Nehru. His chapters on his private interviews with Madame Sun, Litvinoff, Nehru, and Roosevelt are of special interest because they contain new material which helps us to understand them not only as political figures, but also as human beings.

After the Japanese occupation, Snow found himself an active participant in the war: "China's cause was now my cause, and I linked this sentiment with a commitment against fascism, nazism and imperialism everywhere." He had taught for a brief time at Yenching University where he and his first wife, Nym Wales, had played a major role in sparking a Peking student demonstration which led to similar demonstrations all over the country. This December Ninth (1935) Student Movement was an important factor in pre-

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venting North China from falling to Japan by default. Later, his home in Peking became a haven for political refugees en route to places safe from the Japanese. His deliverance of Ten Ying-ch'ao, the wife of Chou En-lai, through Japanese lines from Peking to Tientsin, is an exciting tale, followed quickly by another in which the agent of the guerrillas proposes that a bag containing over a million dollars of jewels be sold by Snow because "you're the only foreign friend we can trust to do it." Snow turns down a commission of 25 percent for himself and bargains instead for the release of several Italian friars who were held captive by the guerrillas. Agreement. The friars were soon set free—and the jewels were sold.

Probably the most important contribution Snow made to the welfare of China was his founding, with Nym Wales and Rewi Alley, of Indusco—the Chinese Industrial Cooperative movement. Sponsored initially and helped through repeated crises by Soong Ching-ling (Madame Sun) and the British Ambassador in China, Sir Archibald Clark-Kerr (later Lord Inverchapel), Indusco was a bold imaginative plan to organize the thousands of war refugees into industrial cooperatives using available raw materials to manufacture consumer goods and war supplies. Despite repeated sabotage attempts by the Chiang clique, Indusco was a success. While the Snows helped raise the money by the organization of committees in the Philippines, the United States, and other countries, Rewi Alley served as chief technical adviser in the field. Within two years more than 2300 small factories were in operation in 16 provinces.

> Handicraft, textile, printing and transport co-ops had been the first to appear, but now there were small iron mines and foundries, coal and gold mines, primitive machine shops, flour mills, paper mills, sugar and oil refineries, and chemical, glass, publishing and electrical goods works as well as shops making medical goods, uniforms, hand grenades, wagons and tents. A quarter of a million people were already dependent on Industrial Cooperatives for a livelihood.

It was significant that Indusco was finally killed in Kuomintang China whereas in Communist China it steadily grew, and was an important aid in the Reds' final victory. And it is probably more than a coincidence that industrialization in the year of China's "great leap forward" is largely taking the form of small local factories and mills all over the country.

Snow spent considerable time in the Soviet Union as correspondent for the *Saturday Evening Post*. Characteristically showing respect

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for the people and his job, though not good at languages, he studied Russian as in China he had studied Chinese. His observations on the Soviet Union are profound and fair and, in the light of the cold-war atmosphere in the United States, courageous.

Some of the stories in Snow's book are funny, some are thrilling; others, particularly those telling of his romantic adventures, are often charming. But the book's chief value lies in the author's reflections on what he has experienced. Four paragraphs in the closing pages of the book sum up the chief problems facing the United States as he sees them:

> For two decades the U.S.S.R., attempting to "build socialism in one country," stood isolated and alone against the world. Today about two-thirds of the people of Europe and Asia live under state-planned economies, and challenge us with "competitive co-existence."
>
> Behind the rivalry of the Soviet Union and the United States for dominance in the world market—with political ideas as well as things—there is one long-range question of first magnitude. Few speak openly of it but increasingly it troubles the best brains in all areas of leadership in the U.S.A., especially whenever there is any serious threat of a substantial withdrawal of the state subsidy to private industry, via defense spending, on which our economic stability has heavily depended for twenty years. That question is how much longer a still largely unplanned, uncoordinated, private-profit motivated economy can compete successfully against wholly state-planned socialized economies which (in Russia and China) have moved forward over recent years at three to four times the rate of growth in gross national production of the United States, and are at present more than doubling that rate of growth in contrast to an American production in recessionary decline.
>
> In this era, "competitive co-existence" is not just a matter of persuading coy Cambodians or Arab oil kings or dictators to take dollars rather than roubles or Chinese money. It is equally a matter of developing attractive alternatives in our domestic life which will not only arouse admiration but which can be emulated by nations in a hurry—and all backward nations are now, or soon will be, in a hurry. No foreign policy is greater than the success of the domestic system which inspires it, and during America's pursuit of cold war aims abroad grave questions have piled up in alarming proportions at home.
>
> A seriously inadequate educational system; continued racial bigotry and discrimination; increasing thousands of derelict youths left unassimilated in the constructive life of society; antiquated public health, prison and court systems; a growing shortage of hospitals, doctors and funds for the support of non-military

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> scientific and medical research; increasing billions of dollars worth of commodity surpluses accumulating in an economy where mounting billions were paid to subsidize farmers to grow less and less (while food costs more and more in unchecked inflation)—all pose problems which demand imaginative reform and modernization if our nation is not to lag behind in the world. Not the least of our unsolved dilemmas arises from a policy of apparently limitless nuclear weapons development, and a rapid poisoning of our atmosphere which may be preparing a sepulchre for ourselves and a world peopled by monsters unrecognizable as our children.

Where are the Snows of today? The reflective, dedicated reporter who is not content with official handouts but seeks always to probe beneath the surface to discover who is doing what to whom—and why—the journalist intent on finding out the hidden truth regardless of where the trail leads, who is courageous enough to report what he learns no matter whose toes are stepped on, is always a rarity. In a period of cold war in which the Establishment succeeds in putting over an alleged "national interest" which Congress, political parties, mass communications, and people support—in such a period of conformity foreign reporting knows no Ed Snows.

Where you have a "bipartisan foreign policy" meaningful discussion is impossible, disagreement becomes unpatriotic, and strong dissent is akin to treason. The reporter who dares to write the truth as he sees it must pay the penalty. If, on the other hand, he enlists in the service of the cold war, the rewards are great. At a time when even neutrality is suspect, what newspaper, TV station, or radio network would dream of consistently challenging government policy? Far better to stay away from anything "controversial" and serve up more gossip, more sex, more trivia, more distractions.

This is, to be sure, what the American people go for at this time. They are complacent, less interested in political than in personal problems, less concerned with public issues than with private pleasures. This was always true about the great mass of people—today it is also true of intellectuals, and particularly of many former radicals who have become disillusioned. They are out of things that matter. They've "had it."

The sad truth is, then, that right now reporters like Ed Snow, even if they did exist, would find a very limited audience. For that audience, *Journey To The Beginning* will give a lift to the spirit; the others who need it most will, I am afraid, not take the time from the inside story of Elizabeth Taylor's latest romance to read it.

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WORLD EVENTS

By Scott Nearing

Must We Fight for Peace?

Last month's WORLD EVENTS column pointed out that the economic and social system which President Eisenhower and Prime Minister Macmillan are sworn to defend, preserve and, if possible, expand, depends upon war preparations and the threat of war for its prosperity. War preparations, the threat of war, and military conflict are as necessary to the survival of the American Way and of Western civilization as nitrogen, potash, and phosphorous are to growing plants. Experiences of the present generation, supported by the history of the past five centuries, should convince any rational being that we live in a society which relies on war preparations, forays to the brink of war, and armed conflict to subsidize its economy and promote its political interests.

Today war preparations and war making, twin supports of the American Way of Life and of Western civilization, are threatened by four products of recent social evolution. The first of these is the rapid extension and intensification of human control over the forces of nature, with its consequent increase in the capacity to produce and/or destroy.

Second, is the all-out dedication of atomic-age science and technology to inventing and fabricating instruments and devices for mass terror and destruction. As a result of this dedication, the agencies of organized destruction (the military) enjoy priorities as to materials, manpower, and money.

So rapidly has the science and technology of destruction advanced since 1938 (see Vannevar Bush, *Modern Arms and Free Men*) that it has brought a third product into operation: an all-out war with present-day destructives might easily wipe out everybody, friend and ally as well as opponent and enemy.

The nature of this threat to continued human existence on the planet has been thoroughly explored in several recent publications such as *The Arms Race* by Philip Noel-Baker (London, 1958) Parts II and V, and *No More War* by Linus Pauling (New York, 1958) Chapters 2 to 6. According to the argument advanced by these and other students of the problem, war has become self-destructive and

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therefore self-defeating—a means of social suicide, because in a general war using present-day weapons, everyone, including neutrals, will lose.

Technological development of destructives to a point at which they threaten to exterminate mankind gave rise to a fourth product in the form of widespread movements in the West to end war, and in the East to a determined effort not only to put an end to military conflicts but to end the competitive, acquisitive social order which includes war preparations and war making among the factors essential to its survival.

Growing recognition of the catastrophic consequences that may result from another general war has aroused an immense body of popular antiwar sentiment and led scores of governments to sign pledges for war abolition such as the Kellogg-Briand Peace Pact and the United Nations Charter.

A generation that has been through two general wars and scores of localized military conflicts quite understandably is against further military adventures. To this normal aversion of a war-battered generation to a continuance of militarism, the frightening advances in the science and art of mass destruction have added a note of the utmost urgency.

Western leaders have met the worldwide and immensely popular antiwar movement craftily and adroitly: "We are all for peace," their argument runs, "how could it be otherwise? We want to survive, and certainly war threatens our annihilation. But war is not the only danger confronting us. The Communists are threatening to overrun and destroy the West. If we are to survive, we must fight one more war—the war against Communism. Then and only then can we enjoy security and peace."

War-to-end-war was a favorite theme in the United States forty years ago. Then the enemy was the German Empire. At the same time there was a secondary enemy: the Japanese Empire. The German Empire was destroyed in 1918. The Japanese Empire was liquidated in 1945, then partially re-established to fill the political vacuum left in the Far East by the Japanese unconditional surrender. Today Western leaders have located a new peril personified in Europe by the Soviet Union and in Asia by People's China. This peril can be averted and peace and prosperity can be assured, they say, by fighting and winning one more war.

For four decades Western leaders have been promising their followers peace on condition that they fight one final war. At the end

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of these forty years of wholesale destruction and the murder of tens of millions of human beings, peace is nowhere in sight. On the contrary, the world is better equipped technically to wage war than it has been at any time since 1914. Furthermore, when misunderstandings or conflicts of interest arise, it is not the peacemakers but the war-waging military who are called up front.

Twice during recent months tension arose, first in the Middle East and then in the area of Taiwan. On both occasions United States armed forces were mobilized "to prevent war." Similar mobilizations in 1914 and 1939 led into general wars that resulted in fantastic losses of life and property. In neither case did military victories lead to peace. Rather they were followed by intensified preparations for waging war.

What then must we conclude from these experiences? Military conflicts in the present and the future will add up to war. An appeal to arms, no matter what its declared purpose, is war. If we take up arms in our pursuit of peace, not peace but war will be the outcome.

The Impermanent West

One of the leading spokesmen for the anti-Communist bloc has referred to People's China as "impermanent rather than permanent." The tone of the reference implied that impermanence was a characteristic of communal forms of purposive association.

Impermanence is a characteristic of all types of social organization. Indeed the life cycle of social institutions in many ways resembles the life cycle of human beings. They come into existence, develop, mature, and then reach the end of the life-span. At no point in their existence are they permanent or static. Change is a law of their being.

Five or six hundred years ago, when parts of Western Europe began to turn from hunting, fishing, and agriculture toward commerce, finance, and industry, the economic and political institutions of Western civilization began to take on their present forms. First, in the trading cities, later in Switzerland, Spain, and Italy, and then in France, Holland, Britain, and Germany, private enterprise economy and the modern nation state passed through the earlier stages of their evolution. As they matured, the Western European countries which spearheaded the growth of Western civilization displayed certain characteristics such as the concentration of populations in capital, commercial, and industrial cities; the accumulation of profit through exploitation and its reinvestment in new capital forms; expansion into new profit-yielding areas at home and abroad; the development

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of a military apparatus that could defend and extend the exploitable areas; competitive rivalries between individuals and economic and political groups; exploration and the annexation of the "discovered" territories with their resources and populations; the organization of professional war-makng departments, armies, and navies, spreading the cult of nationalism and the spirit of patriotism.

This transition of feudal Europe into capitalist Europe passed through three stages. The first ended Asian invasion and occupations of Europe. Second came the survival struggle between the chief colonizing nations: Portugal, Spain, France, Holland, Britain. Third, there was conflict between the chief commercial-industrial nations: Italy, Germany, Holland, France, Britain. France, Spain, and Holland dominated the early phases of this struggle for wealth and power. In the 19th century Britain took the lead. After 1918 the United States headed the profit-seeking procession.

During the closing decades of the nineteenth century there were half a dozen imposing world empires—all governed from Europe. Half a century later there was but one first-rate empire, the American. The others were dismembered, defeated in war, bankrupted. The survivors were living in part on Washington's economic and military bounty and were occupied by United States armed forces.

This is, in brief, the recent record of Western civilization. It is dominated by the kaleidoscopic impermanence of an imperial cycle, from its unstable youth to its doddering old age. It can ill afford to scoff at younger societies for their "impermanence."

China's Great Leap

While the West is scornfully satisfied politically with being anti-Communist, and is spending its ample leisure watching television, discussing football or baseball, and either hula-hooping or driving the family car in widening concentric circles, People's China has launched a campaign to rapidly and effectively communalize the economy and push the country ahead during 1958-1959.

Communes, sociologically speaking, are social aggregates in which the group or common interests predominate, while individual interests are subordinated to group interests. In a commune, the whole enjoys priority over its parts.

Practically, this principle leads to the common or group ownership and control of natural resources (including land), of essential industry and means of transport and communication, of the agencies necessary to promote the general welfare. It also implies the dis-

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tribution of goods and services in accordance with needs.

Communes have existed at different times in various places. Many primitive peoples, clans, tribes, and enlarged families have had communal features. Early Christians had "all things in common." Religious associations frequently own their properties and administer them communally—each member contributing what he can to the common store and taking in return only what he needs. Modern Western families have many things in common and divide their goods and services according to need. Many Western cities own their streets communally, their water systems, lighting and power facilities, schools, firefighting apparatus, libraries, parks and playgrounds, and they offer these facilities to their citizens in accordance with their needs. Most types of human association have communal features. The extent of common action varies from group to group.

Immediately after the Revolution of 1917 attempts were made to widen the areas of communal action in the Soviet Union and thus put communism into practice. Social ownership of land and of most productive tools was decreed, but when it came to dividing according to need, the scheme broke down because at that early period in Soviet history they did not have enough to go around. So they had to take a step backward from communism while they built up their productive apparatus and increased the volume of goods at their disposal. Only with abundance could they take the two forward steps to communism.

China's Communists got their start in 1949, thirty-two years after the Russian Bolsheviks liberated themselves and the country from Tsarism. The Chinese studied Soviet experience, aiming to avoid its mistakes and to benefit by its successes. They prepared the ground carefully, balanced the economy at an austerity level, reorganized the political and social life of China from the ground up, announced their first Five Year Plan in 1953 when they had matters well in hand, and adopted their Constitution in 1954 after long discussion had won widespread public approbation.

By 1956 collective agriculture had been accepted as standard practice. At the end of 1957 the first Five Year Plan had proved a resounding success. In 1958-1959, the year of the "Great Forward Leap," the Chinese are amalgamating their collective farms into communes of perhaps 2000 families, at the same time that they are coordinating central planned industrial enterprises and locally initiated plants in the same fields.

They have taken this leap after a year of painstaking indoctrina-

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tion (the Rectification Movement) had prepared the 650 million people of China for communal life in a communist society. The results of this major effort, negative as well as positive, will have a profound effect on social developments in the West as well as in the East. For the moment, the initiative, economic, political, and social, has been seized by the leaders and people of China.

Some of us have spent our adult lives urging communal ownership of the economy, predominance of the commonweal, and the distribution of goods and services according to need. Here in the United States there are relatively few who desire or recognize the need for an extension of the communal principle. Across the Pacific, in 1958, 650 million Chinese have taken a great leap toward a communal form of society, particularly in the countryside where four-fifths of the Chinese people live and work.

We salute the Chinese people. We congratulate their leaders. We rejoice at their foresight and their determination to experiment until they find a social pattern which fits the needs of a complex society able to take full advantage of an atom-age economy. May they detour around pitfalls that lie in their path, avoid errors, outwit the forces of counter-revolution at home and abroad, and set mankind a convincing and thrilling example of social ownership, central and local initiative and planning, of efficiency and economy in production and the sharing of life's good things according to needs.

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(*continued from inside front cover*)

Not all of our readers will agree with all the views expressed in this month's leading editorial on the results of the election, but we hope at any rate that none will *disagree* with one of them, that there is a tremendous need for socialist education and propaganda in this country. This is something that each and every one of you can work at, in your neighborhoods, among your friends and acquaintances, in the organizations to which you belong. You will have to tailor your methods to specific conditions, of course, but we would like to suggest that one method has very general applicability: *extend the circulation and readership of MR to the maximum possible extent.* In order to facilitate this, and at the same time to help you solve your Xmas gift problem, we are making a special gift-sub offer good until January 15th only (order blanks on back cover). Under this offer, the first gift sub costs you $3 (as against the regular rate of $4), the second costs $2.50, and the third costs $2. Thus if you give three subs the total cost to you will be $7.50. *If, however, you give four or more subs, the price will be only* $2 *apiece up to any number you want.* This means that you can give four subs for $8, five for $10, and so on. We think this is a good offer for us and for you and for the new readers of MR. But it won't be any good for anyone unless you take advantage of it. How about it?

Of course some of your Xmas gift problems may be more appropriately solved by books than by subs. We have the answer to that too: MR Press's Christmas Book sale which also lasts until January 15th only. After that date, all books will once again sell at list prices. Details on page 308.

A note in this space in the October issue announced that we had placed a bulk order for the Fabian pamphlet, "China: An Economic Persepective," by Sol Adler and Joan Robinson, and would be able to supply them to MR readers at 35¢ a copy or three for a dollar. The response was so great that the first batch imported from England has already been exhausted. We have entered a second order, but in the meantime there has been and may still be some delay in sending the pamphlets to you. We are sorry for this miscalculation and beg your indulgence.

While on the subject of pamphlets, let us remind you that we can also supply at 35¢ a copy or three for a dollar G. D. H. Cole's "World Socialism Restated," a New Statesman Pamphlet which gives the substance of Professor Cole's talk at MR's birthday meeting in New York last May. Finally, there are also the regular MR Press pamphlets: "The ABC of Socialism," by Leo Huberman and Sybil May; "Why Socialism?" by Albert Einstein; "On Segregation," "The Roots and Prospects of McCarthyism," "What Every American Should Know about Indo-China," "What You Should Know about Suez," all by Leo Huberman and Paul M. Sweezy. Prices will be found on page 336.

Paul Baran's articles on Marxism in the October and November issues have stimulated a great deal of interest and discussion, especially in university circles; and one reader has suggested that we open a discussion of the problems which Professor Baran has raised. We do not think it is necessary to make it quite as formal as that, but we do want readers to know that we welcome discussion of material appearing in MR, and particularly of these articles, and that we always stand ready to publish any contributions which we think are of sufficiently general interest to MR readers—provided, of course, that we can find the space, which is unfortunately not always possible and is never easy.

Our first Associates meeting of the season will be a most exciting event. We urge readers in the New York area to send for tickets right away. For details, see page 335.

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